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# East Europe Report

ECONOMIC AND INDUSTRIAL AFFAIRS

No. 2216



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SOVIET COOPERATION OF INDUSTRIAL PROJECTS IN YUGOSLAVIA

Belgrade MEDJUNARODNI UGOVORI in Serbo-Croatian No 13, 6 Nov 81 pp 830-833

[Agreement Concerning Economic and Technical Cooperation in the Construction and Reconstruction of Industrial and Other Projects in the Socialist Federal Republic of Yugoslavia]

[Text] The Federal Executive Council of the Parliament of the Socialist Federal Republic of Yugoslavia and the Government of the Union of Soviet Socialist Republics, who maintain friendly relations with each other and who both strive for the further development and strengthening of economic and technical cooperation between the two countries on an equal basis, and who both foresee a mutual benefit from economic and technical cooperation on a long-term basis, have agreed to the following:

Article 1

The Federal Executive Council of the Parliament of the Socialist Federal Republic of Yugoslavia and the Government of the Union of Soviet Socialist Republics will collaborate from 1981 to 1985 on the construction and reconstruction of industrial and other projects in the Socialist Federal Republic of Yugoslavia listed in the Addendum, which is an integral part of this agreement.

Article 2

In order to provide the cooperation referred to in Article 1 of this agreement, Soviet organizations will do the following: perform the planning required for the projects; delivery machinery and equipment manufactured in the Soviet Union to Yugoslav organizations; send specialists to the Socialist Federal Republic of Yugoslavia to collaborate on a technical basis with Yugoslav organizations in construction, reconstruction, installation, testing, and operation of the equipment and machinery which is to be delivered from the Union of Soviet Socialist Republics; admit Yugoslav specialists into the process of consultation and into production and technical training.

Article 3

In order to provide the cooperation anticipated in Article 1 of this agreement, Yugoslav organizations will do the following: insure the installation of the equipment and machinery in accordance with contracts which have been signed by

organizations of both sides, and insure the performance of the necessary construction, assembly, and operation of the equipment and machinery; supply to the Soviet organizations engaged in the formulation of project plans all fundamental data necessary to the planning process which is available.

#### Article 4

The Government of the Union of Soviet Socialist Republics will guarantee a loan to the Federal Executive Council of the Parliament of the Socialist Federal Republic of Yugoslavia in the amount of \$450 million (U.S.) at an annual interest rate of 4 percent, for the payment of equipment and machinery delivered from the Union of Soviet Socialist Republics for the construction and reconstruction of industrial and other projects listed in the Addendum of this agreement.

The Yugoslav side will pay back the aforementioned loan in 10 years in equal annual installments, with the first payment due 2 years after the end of the year in which some part of the equipment and machinery has been delivered.

The interest on the loan will be calculated from the day that the corresponding part of the loan is utilized. The date of the utilization of the loan will be considered to be the date konosmana or the date of the stamp on the railroad bill of lading at the border station of the country of the supplier.

The interest on the loan will be paid during the first quarter of the year following the one for which it is being calculated. The last interest payment will be made with the last payment of the principal of the loan.

The Federal Executive Council of the Parliament of the Socialist Federal Republic of Yugoslavia and the Government of the Union of Soviet Socialist Republics will take measures so that the total amount of credit established by this article is not exceeded.

If the value of the actual deliveries of equipment and machinery exceeds the amount of credit approved by this article, such excess will be paid by the Yugoslav side in accordance with the current Yugoslav-Soviet trade and payment agreement, based on negotiation by the interested organizations of both parties.

#### Article 5

The Yugoslav side will pay off the loan and interest for the delivery of goods to the Union of Soviet Socialist Republics within the framework of Yugoslav-Soviet trade agreements which are in effect at the time of the repayment of the loan.

The amount of each payment will be corrected by the authorized banks of both sides of those who participated in the signing of contracts if the value of the special right of withdrawal unit in U.S. dollar changes, in comparison to the rate of exchange of the International Monetary Fund announced 3 working days before the payment day, by more than  $\pm 2.25$  percent on either side in comparison to the basic value expressed in U.S. dollars for the special right of withdrawal unit on the day before the day that the individual contracts between



Yugoslav and Soviet organizations are signed. In the event of a change in the mechanisms for determining the value of the special right of withdrawal unit which would invalidate the use of the special right of withdrawal for the aforementioned correction, the two sides will, as agreed, establish other mutually acceptable mechanisms which will protect both sides from loss due to fluctuation in the international currency market.

The loan and the interest will be paid by recording the appropriate amounts in U.S. dollars in special accounts which have been opened by the authorized banks of both sides in accordance with the Payment Agreement between the Federal People's Republic of Yugoslavia and the Union of Soviet Socialist Republics of 5 January 1955, or in another manner which is provided for in the agreement between the two sides concluded while this agreement is in effect.

The loan payment date will be considered to be the date that the payment amount is recorded in the special manner devised.

Amounts in the aforementioned account for the repayment of the loan and for the payment of interest charges which are left over will be taken into consideration by the two sides when the lists of goods and the volume of reciprocal deliveries of goods for the corresponding calendar year are reconciled.

#### Article 6

The National Bank of Yugoslavia and the Bank for Foreign Trade of the Union of Soviet Socialist Republics together will establish the technical procedure for maintaining the accounts and the accounting for the utilization and repayment of the loan money from this agreement and for the calculation and the payment of interest charges.

#### Article 7

Soviet specialists will be sent to the Socialist Federal Republic of Yugoslavia and Yugoslav specialists will be accepted in the Union of Soviet Socialist Republics for production and technical training, in accordance with this agreement, in accordance with the Agreement between Yugoslavia and the USSR concerning conditions of sending Yugoslav experts to the USSR and Soviet experts to Yugoslavia for the purpose of providing technical assistance and other services dated 29 April 1964, notes exchanged 24 September 1979, in Belgrade, and the Agreement between Yugoslavia and the USSR concerning the conditions of production and technical training of Yugoslav and Soviet specialists and workers dated 29 April 1964.

Yugoslav specialists will be received in the Union of Soviet Socialist Republics for the purpose of consultation, in accordance with this agreement, under the conditions provided for by contracts between Yugoslav and Soviet organizations.

#### Article 8

Payment of expenses of Soviet organizations in connection with planning services which have been performed and for the sending of Soviet specialists to the

Socialist Federal Republic of Yugoslavia and the receiving of Yugoslav specialists in the Union of Soviet Socialist Republics will be carried out on the basis of current Soviet-Yugoslav trade and payment agreements.

#### Article 9

Technical documentation which is received by Yugoslav and Soviet organizations in accordance with this agreement will be used exclusively for the production of the corresponding products in the Socialist Federal Republic of Yugoslavia and cannot be given to other countries, nor to any authorized persons of foreign countries without the consent of the appropriate organization of both sides.

#### Article 10

In order to carry out this agreement the appropriate Yugoslav and Soviet organizations are concluding mutual agreements which determine the amount and the time periods for carrying out planning services, the deliveries of technical documentation, the deliveries of equipment and machinery, the number of Soviet specialists who will be sent to the Socialist Federal Republic of Yugoslavia, their specialties and the time of their reception and stay, the number of Yugoslav specialists who will be received in the Union of Soviet Socialist Republics, their specialties and the time of their reception and stay, the conditions of the delivery of technological processes, scientific and technical results and experiments, warranty conditions, and other details of conditions which are necessary for the implementation of mutual responsibilities in accordance with this agreement. Prices in the contracts for all deliveries will be established on the basis of prices in the world market.

The appropriate Soviet and Yugoslav organizations will coordinate the annual volume of deliveries of equipment and machinery for each calendar year. Moreover, the appropriate organizations engaged in the distribution of the delivery of equipment for each industry or other project will proceed from the possibilities of maximum utilization of the capacity of Yugoslav machinery construction.

The contracts for the delivery of equipment and machinery will be signed by the appropriate Yugoslav and Soviet organizations not later than 1 April of the year preceding the year in which delivery is to take place.

#### Article 11

In the event of differences and disputes in the interpretation while carrying out this agreement, those differences and disputes will be resolved by representatives of both sides of those who are involved in the signing of contracts.

#### Article 12

This agreement is subject to ratification, and goes into effect on the day the ratified documents are exchanged, while it will be temporarily applicable from the day it is signed. The ratified documents will be exchanged in Moscow as soon as possible.

Composed in Belgrade 29 May 1981 in two original copies, in the Serbo-Croatian and Russian languages; in addition, both texts have the same significance.

By the authority of the Federal Executive Council of the Parliament of the Socialist Federal Republic of Yugoslavia, signed Radoje Kontic.

By authority of the Government of the Union of Soviet Socialist Republics, signed V. G. Morozov.

Addendum to the Yugoslav-Soviet agreement of 29 May 1981.

List of industrial and other projects in whose construction and reconstruction the two parties will collaborate under conditions of approved credit, and the distribution of the sum of the loan by project

<u>Project name</u>	<u>Time period of delivery of equipment</u>	<u>Amount of loan for payment of deliveries (in U.S. millions of dollars)</u>
Electric Energy		
TE (Thermoelectric "Tuzla-Velika" capacity 500 MW (megawatts)	1984-86	120
TE "Ugljevik II" capacity 300 MW	1983-86	45
TE "Kovin I" capacity 210 MW	1983-85	40
TE "Bitola IV" capacity 210 MW	1984-86	30
TE-TO "Trbovlje" capacity 180 MW	1984-86	30
Nonferrous Metallurgy		
Lead and zinc mine and flotation "Suplja stijena" expansion of capacity from 200,000 to 1 million tons of ore per year	as agreed upon by both parties	8
Mining-metallurgical and chemistry plant "Trepca"-fuming process installation for obtaining lead and zinc, capacity 20,000 tons per year	" "	25
Lead and zinc mine and flotation "Blagodat" Vranje-expansion of capacity from 350,000 to 540,000 tons per year	" "	3.5
Mining-metallurgical plant "Zajaca" expansion of mine and flotation "Rajiceva gora" from 40,000 to 250,000 tons antimony ore per year	" "	14.5



<u>Project name</u>	<u>Time period of delivery of equipment</u>	<u>Amount of loan for payment of deliveries (in U.S. millions of dollars)</u>
Chemical plant "Zorka" Sabac lead and zinc mine "Sastavci" capacity 150,000 tons of ore per year	as agreed upon by both parties	13
Lead and zinc mine and flotation "Vares" expansion from 300,000 to 600,000 tons per year	1983-85	7
Nickel factory in Pristina expan- sion of capacity from 12,000 to 18,000 tons of nickel in ferronickel per year (different forms of auxiliary equipment)	as agreed upon by both parties	22
Light metals factory "Boris Kidric" expansion of capacity to 100,000 tons of rolled aluminum product and aluminum alloy per year	1983-85	50
Geological exploration		
Geological exploration in the area of oil and gas ("Naftagas" Novi Sad)	as agreed upon by both parties	7
Construction materials industry		
Cement factory capacity 600,000 tons cement per year (by dry procedure) Serbia	1983-85	20
Factory for production of glass insulation, capacity 10,000 tons per year, Arandjelovac	as agreed upon	15

Note: The time periods of collabora-  
tion and the technical characteristics  
of the projects will be established in  
more detail when the contracts are  
signed.

#### Article 3

This law goes into effect 8 days after being published in the Yugoslav Offi-  
cial Register.

GERMAN DEMOCRATIC REPUBLIC

EXCERPTS OF 1981-1985 PLAN; 1982 PLAN, BUDGET PUBLISHED

1981-1985 Economic Plan

East Berlin NEUES DEUTSCHLAND in German 5-6 Dec 81 pp 3-4

[Official text of "Excerpts from the Law of 3 December 1981 on the Five-Year Plan for the Development of the Economy of the GDR During 1981-1985"]

[Text] In conformity with the decisions adopted by the 10th SED Congress, the Five-Year Plan for the Development of the Economy of the GDR During 1981-1985 is geared toward the consistent all-round consolidation, by means of a high rate of economic growth, of the GDR as a socialist state of the workers and farmers. Thereby further advances are to be made in the shaping of the developed socialist society.

The five-year plan serves the well-being of the workers class and all the people. The focal point lies on carrying on throughout the 1980's our main task policy which deals with economic and social welfare tasks as a unity. It amounts to further elevating the people's material and cultural standard of living based on high speed in the development of socialist production, greater efficiency, scientific-technical progress and growth in labor productivity. The main content of the five-year plan and its implementation are the 10 key points of the economic strategy adopted by the 10th SED Congress.

The broad discussion of implementing the tasks of the directive by the 10th SED Congress for the five-year plan for the development of the economy of the GDR during 1981-1985 involved millions of working people in the combines, enterprises, facilities and cooperatives actively in preparing the five-year plan, who submitted many proposals on the basic issues of our economic strategy for the 1980's, especially for improving our performance and efficiency. That expresses the GDR population's broad agreement with the SED policy for successfully carrying on our proven main task policy.

There has been a new strong boost in our socialist competition, organized by the trade unions and aimed at the implementation of the 10th SED Congress decisions. The competition initiatives must receive every kind of encouragement from the state managers for meeting the five-year plan goals. They are to be directed toward the implementation of this principle: "High economic growth through increasing labor productivity, efficiency and quality--Everything for the well-being of the people and for peace!"

The successful continuation of our policy, as aimed at the well-being of the people, requires that in the 1980's we purposefully proceed toward a higher production and efficiency level. More and more must performance improvements and efficiency be determined by the most advanced achievements in science and technology. It is imperative to turn the experiences of the best workers in all combines, enterprises, facilities and cooperatives into the criterion for anyone's own performance and to apply consistently the principles of socialist economic management and socialist thrift. On that basis reserves at new dimensions have to be tapped in all areas of the economy, high and stable production and productivity growth rates beyond the previous degree have to be achieved, and the cost/benefit ratio must be decisively improved in all fields.

In implementation of the GDR-USSR production specialization and cooperation program up to 1990, the all-round economic and scientific-technical cooperation between our two countries is being consolidated and expanded. The accords made for deepening socialist economic integration in the plan coordination with the USSR and the other CEMA countries form a stable basis for implementing our five-year plan for the development of the economy of our republic.

The reality of this strategy relies on our consolidated socialist production relations, on modern socialist management and the high skill of our workers, engineers and researchers. On this basis it is possible to achieve a perceptible performance thrust toward higher productivity, efficiency and quality.

The further strengthening of our economic capacity is of great weight to the GDR's peace policy which, in the sense of peaceful coexistence, serves political and military detente in Europe and the recovery of the political climate in the world.

# I

The following main indicators have been laid down for the development of the GDR's national economy 1981-1985:

	<u>1985</u> <u>1980</u>
Produced national income	128
Manufacturing output, industrial ministries	131
Manufacturing output, national economy	128
Increase in labor productivity, industrial ministries	129
Output of construction industries	118
Output of construction, construction ministry	123
Transport and telecommunications	112
Export to the socialist economic region	150
	<u>in 1985</u>
Crop production output in grain units per hectare of farmland	43.7-44.2 dt
State output	
--Fattened cattle	2,400 kt
--Milk (4-percent fat content)	6,930 kt
Collection and utilization of secondary raw materials	30 million t

1981-1985 average annual %

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Reduction in specific production consumption figures for major energy sources, raw materials and semimanufactures	6.1
---	-----

Total 1981-1983

---

Investments

--Economy on the whole

M 256 billion

The people's material and cultural standard of living attained must be ensured and gradually further raised. To that end the following targets are laid down:

Total 1981-1985

---

Dwellings to be provided, newly built and modernized	940,000 dwelling units
--of which: newly built	600,000 dwelling units

$\frac{1985}{1980}\%$

---

Retail trade turnover

120

Net monetary income of the population

120

The supply of consumers with commodities in daily use, services, rents and fares are to be ensured at stable prices, and so is the satisfaction of the growing health, social and intellectual-cultural needs of the population, in conformity with economic performance development in the 1981-1985 period, up to M 295 billion. That amounts to a growth rate of 126 percent.

Training and education must be developed in such a way that they are relevant to practical life and encourage creative thinking and acting, the initiative and dedication of youth and its class-bound standpoint and conscious political conduct.

Medical and social services for the population, notably health care for the working people, are to be purposefully improved in quality and effectiveness for the good of the citizens.

Social care, notably for mother and child, the veterans of labor and the disabled, must be systematically further extended through close cooperation between state areas and social organizations.

The working people's working and living conditions in the enterprises are to be further improved, mainly through a progressive reduction in heavy physical and hazardous jobs, the perfecting of workers' welfare and the extension of labor-medical consultation and care. Further qualitative improvements are required in recreational opportunities for the working people.



Berlin, capital of the GDR, must be further developed as the political, economic and intellectual-cultural center of the socialist GDR. The central youth project, "FDJ Initiative Berlin," has to be promoted purposefully, and all bezirks have to make an increasing contribution to it.

## II

The five-year plan is aimed at the implementation of the 10 key points in the economic strategy for the development of the GDR economy in the 1980's, as issued by the 10th SED Congress.

1. As a decisive condition for our performance growth and for improving our economic efficiency, the advantages of socialism have to be closely combined with the achievements of the scientific-technical revolution. Through science and technology the necessary lead time has to be ensured for our intensively expanded reproduction, especially through the development and introduction of new products, procedures and technologies. On that basis the R&D contribution to increasing our national income has to be perceptibly increased. R&D has to be speeded up, and there is a priority on ensuring a rapid application of research data in production. Top-standard achievements have to be increased in number and have to be used at a large range.

The priority here is placed on speeding up the development and application of micro-electronics, robot technology, and electronic computer technology for a more efficient organization of production and administrative projects.

To boost the economic effectiveness of science and technology, the following targets are set down:

-- In the economy we must achieve an annual saving of working time from 490 million hours in 1981 increasing roughly to 660 million in 1985, while simultaneously assign manpower to other, more productive, labor and achieve further improvements in the working people's working and living conditions;

-- the specific energy consumption is to be reduced, up to 1985, by an equivalent of 70 million tons of raw lignite compared with 1980; the use of heating oil as energy source and of imported pit coal and pit coal coke for energy purposes must be extensively reduced;

--in the 1981-1985 period the following material savings are to be achieved:

Rolling steel	roughly 2.2 million t
Aluminum	more than 50 kt
Copper	roughly 15 kt
Cement	1.9 million t

Research collectives are to be assigned, mainly, ambitious tasks for top achievements and high economic objectives commensurate with the advanced status and developmental trends of science and technology in the world.



2. A vastly higher level of labor productivity is to be attained through high scientific and technical effects at a large scope. In a growing number of enterprises and combines we must ensure a faster growth of labor productivity than of industrial commodity production, mainly by raising the technological level of production, a more rapid generalization of the experiences of the best workers and the reduction of unjustified differences in levels.

The number of jobs saved, on the basis of an extensive reconstruction and rationalization of extant enterprises or of production sectors, must more and more exceed the number of jobs to be newly created.

For implementing our socialist performance principle, we must extend the systematic introduction of productive wages through performance-oriented basic wages and salaries. Payments must be closely connected with scientific labor organization and the application of performance indicators.

3. A decisive five-year plan emphasis is given to enhanced refinement and the more extensive use and utilization of economically available energy sources, raw materials and working materials at all stages of production.

The requisite improvement of performance and providing more and better end products for public supplies, the economy and export have to be accomplished by approximately an unchanged volume of raw materials and energy sources.

All combines and enterprises have to solve the task of producing high-grade commodities from every kilogram of raw material, through skilled labor, at a maximum volume. To that end, a high degree of refining and recycling of every available raw and working material has to be ensured in each production branch.

As a fundamental task for materially ensuring our performance development, the collection and reutilization of available secondary raw materials and industrial waste products must be increased. That pertains in particular to ferrous and non-ferrous metal scrap, waste paper, timber offcuts, plastic materials and fixing baths, bones, fatty compounds, corundum grains and waste sulphite liquor, used oil, old textiles, thermoplastic waste, scrap tires, electronic scrap, return-container glass and old fire-resistant materials.

4. As a fundamental task, a high qualitative production level at our entire economic range has to be ensured across all preparatory and intermediate steps down to the final products. The top-product output with the quality seal "Q" must be raised to circa M 100 billion by 1985.

5. Labor efficiency must be greatly improved during the five-year plan period. The cost/benefit ratio must be decisively improved by using the latest scientific and technological data, the most economical use of live and embodied labor, mainly of base material, energy, propellants and fuels, and through the most rational use of investments and all economic resources.

In 1985, the national economy must experience at least a 15-percent reduction of social expenditures compared with 1980.

In industry, prime costs have to go down by 3 percent each year.

The most effective use of all available resources and the thriftiest handling of all material and financial assets must be enforced as a principle of socialist economic management in all areas of the economy. The effectiveness of economic cost accounting must be further improved to that end.

Currency control must be strengthened to enforce the economic demands placed on efficiency development.

6. Comprehensive socialist rationalization has to save working hours, enhance the quality of labor and improve the working people's working conditions. There must be a decisive boost in the proportion of investments in socialist rationalization.

In the 1981-1985 period, 45,000 industrial robots have to be produced and used highly effectively in our economy. Per industrial robot used an average of 2.5 manpower is to be released for other tasks.

7. Through a resolute implementation of socialist intensification and rationalization, basic assets and investment effectiveness must be raised significantly in all economic areas. We must improve the utilization of the available important potential of our basic assets. Investments must be aimed at perfecting our material-technical base in qualitative respects.

Through cooperating with the planned preventative maintenance, the reconditioning and modernization of the constantly greater resources of basic assets must receive an absolute priority in the placing of investments.

Through investment concentration realization periods must be greatly reduced. A maximum of 2 years is to be established as a social norm for realizing investment projects. Thereby we can critically reduce the volume of incomplete investments in our economy. Investments must cut back more jobs than create new ones.

The construction share of investments must be greatly reduced in all economic areas, those in industry at least to 25 percent.

The most important production equipment must be allowed 16 to 17 hours per calendar day in 1985.

8. For public supplies, far more and better consumer goods have to be manufactured, including the needed ancillary products and semifinished products and an adequate assortment of spare parts. At the same time it is necessary greatly to increase supplies in novel, high-grade consumer goods in excellent quality and design, especially those that are much in demand among the public and on international markets.

The combines making means of production have to raise their contribution to consumer goods production rigorously, particularly by developing and producing new high-grade consumer goods or through a targeted increase in their production of means of rationalization and of components for the consumer goods industry.

9. The five-year plan is to achieve high dynamics for the social production and the national income. That depends on a much higher effectiveness of all qualitative factors in the reproduction process.

10. In conformity with our economic strategy, the scope and quality of our social production must continue to be improved, increasing in weight, by our intensively expanded reproduction. Our material-technical base must be extended further, principally by means of intensification.

The tasks for economically ensuring our national defense and our internal security and order have to be secured comprehensively, and on a priority basis, in accordance with the demands of the 1981-1985 period. State and economic management organs, the combines, enterprises, facilities and cooperatives must conscientiously meet the obligations resulting therefrom.

### III

For the further extension of the material-technical base of our economy as the critical basis for further ensuring stable economic growth, the following tasks are laid down:

#### 1. The Energy and Raw Material Base of the Economy

The energy and raw material base of the economy is to be further developed by raising the supplies in indigenous raw materials, comprehensively using secondary raw materials and waste products and a new quality of our entire energy and materials economy, mainly by comprehensive refining.

The highest rank is to be granted to an economical use of energy sources, raw materials and working materials in all combines and enterprises.

The production of important energy sources and raw materials is to be developed as follows:

	Unit of quantity	1985
Softcoal mining	million tons	290
Electrical energy production	billion kilowatt	112
Carbide	1,000 tons	1,250
Plastics, elastics	1,000 tons	1,300
Synthetic fibre materials	1,000 tons	150
Nitrogen fertilizers	1,000 tons N	1,200
Potash fertilizers	1,000 tons K <sub>2</sub> O	3,450
of which granular and globular	1,000 tons K <sub>2</sub> O	2,245
Rolled steel total	1,000 tons	9,282
of which refined rolled steel	1,000 tons	7,393

All economic areas have to carry out target-directed measures to save energy.

Primary energy is to be developed by more of a use of domestic softcoal and nuclear energy. We must crucially reduce here the use of heating oil, pit coal and pit coal coke and fuels.

In forestry, through comprehensive intensification measures, the production and yield guarantees of forest resources must be raised, and lumber supplies must increase to from 10 to 10.2 million cubic meters in 1985.

## 2. Production, and Providing for, Equipment, Machines, Ancillary Supplies and Spare Parts

The production of high-grade machines, equipment and devices for the rationalization of our own economy and for export, conforming to the intrinsic value and performance parameters of the highest scientific-technical standards, is above average through the broad application of microelectronics, electronic control and testing equipment and means of automation in its intended development.

We must achieve above-average growth rates in the production of products of ADP techniques and telecommunication techniques, scientific equipment construction, and automation and control techniques.

The production of microelectronic components has to be more than doubled and to be raised three to fivefold for optometric and performance-electronic components.

Machine building must boost its production by 141 percent up to 1985, which must come mainly from an intensively expanded reproduction.

The capabilities of the ancillary industry and spare part production have to be increased in accordance with the requirements for ensuring final production.

## 3. Consumer Goods Production

The production of essential consumer goods is to be increased at the following rate:

Product	Unit of quantity	1985
Household refrigerators	thousand	859
Electric ranges	thousand	232
Washing machines and combined washing devices for domestic use	thousand	521
Radios	thousand	1,426
Color television sets	thousand	510
Heavy detergents	metric tons	200
Paints and varnishes	metric tons	368
Car tires	thousand	5,500
Textile floor covering	million square meter	39
Walking shoes	million pairs	45.8
Furniture and upholstered goods at industrial sales price of	million Marks	7,295
Household and hotel porcelain at industrial sales price of	million Marks	709

In the bezirk-managed industry the newly formed combines have to be consolidated and extended.

The crafts have to make a significant contribution, in conformity with territorial and craft-specific conditions, to meeting public demands, especially in individually designed consumer goods, and to improving the supply level in qualitative terms.



#### 4. Agriculture, Food Production and the Foodstuffs Industry

Agriculture and the food industries must further raise their production and its efficiency by making a better use of their own resources to ensure stable and constantly improving public supplies through high-grade foodstuffs and agricultural raw materials for industry.

In conformity with economic requirements, the cost/benefit ratio must be vastly improved in our socialist agriculture. The main course for improving the capability of agriculture and the food industries is a continuing rigorous intensification and rationalization based on science and technology and the full utilization of the great development potentials of socialist agriculture. Emphases are the increasing of grain, basic fodder, produce and fruit production and higher potato and sugar beet yields. An effective and complete use of every square meter of soil and a constant improvement of its fertility is a first-rank task of great economic weight.

The total yields in crop production is to be raised by 1985 to between 43.7 and 44.2 metric tons of grain units per hectare of agricultural acreage, those of grain to 39.5, potatoes to 220, and sugar beets to 330. On that basis we will achieve a grain output of at least 10.4 million tons by 1985. The state production of fruit is to be raised to 610 kilotons and of produce, to 1,368 kilotons in 1985.

The following state quotas are stipulated for the more important animal products:

	Unit of quantity	1985
Fat stock	1,000 tons	2,400
Milk (4% fat)	1,000 tons	6,930
Eggs	millions	4,720
Wool	tons	7,000

With it, one has to ensure a systematic reproduction of cattle stocks and improved breeding results, mainly by reducing animal losses and good animal care and maintenance. From each kilogram of fodder more animal products must be produced.

The consolidation and deepening of cooperation relations are to be aimed more consistently still at a high increase in performance and the use of all inherent potentials of the agricultural production cooperatives, state farms and their cooperative facilities.

#### 5. Construction

The building industry must improve its performance and efficiency to strengthen further our economic efficiency and consistently carry out our housing program.

In the construction ministry area, labor productivity has to be increased by 119 percent. Emphases are the reduction of specific building expenditures, while maintaining our economic and sociopolitical goals, by 15 percent and reducing construction schedules by 30 to 50 percent, especially for industrial and science projects.



The proportion of construction measures for reconstruction and modernization is nearly to be doubled up to 1985.

The development of the building materials and prefabrication industry must consistently be aimed at supplying the economy, the population and export with building materials and prefabricated elements proper as to needs and qualities.

#### 6. Transport/Postal and Telecommunications Service

In the transport sector a higher quality of services is to be attained in passenger transport, goods traffic and transit trade. To reduce social expenditures in the economy and for reasons of our energy economy specific transport costs must be lowered in all economic branches through optimizing delivery and transport relations.

By resolutely transferring part of the freight haulage from road to rail and by expanding the amount of freight transported by inland navigation, the division of labor among the freight carriers has become more effective. To make the railroad more efficient, we must electrify a section of between 700 and 750 kilometers, and more efficient operational technologies are to be introduced for making better use of freight car parks and trailer camps and transport installations.

In passenger transport, to improve further the working people's working and living conditions, the quality and reliability have to be improved for commuter and pupils' transport services and for travel.

In the postal and telecommunications sector, services are to be increased to 113 percent, and their efficiency and quality must also be improved.

#### 7. Water Management and Environmental Protection

Through our water management we have to improve our supplying the population, industry and agriculture with drinking and service water proper as to quality. We have to ensure a rational management of our water resources through minimal expenditure and effective use of the water management installations in all areas of the economy. Environmental conditions have to be improved especially in industrial centers and conurbations.

### IV

To elevate the population's material and intellectual-cultural standard of living, the following targets are set down:

1. Working and living conditions in the combines, enterprises, facilities and co-operatives must systematically be improved as a basic element of the working people's material and intellectual-cultural standard of living.

In industry, the building trade and the transport sector, circa 1,100,000 jobs have to be newly set up or reorganized between 1981 and 1985 through the use of the data of scientific labor organization, and for circa 300,000 working people, the existing labor hazards are to be eliminated.

In conformity with the steadily growing comprehensive material funds and the increase in modern highly-productive equipment and installations, enterprises and combines will have to take purposeful measures to prevent fire, disturbances and breakdown to improve labor and production safety.

Catering facilities on the shop floor, especially for shift workers who are working under cumbersome conditions, are to be perfected. Especially in the building and assembly enterprises and in the small and medium-size enterprises must catering facilities be improved.

Meals for pupils and pre-school children are to be further improved.

2. The long-term housing construction program, the centerpiece of our social policy, is to be steadily advanced between 1981 and 1985 by the new construction and modernization of 940,000 dwellings, especially for workers' and large families and young couples. There are 600,000 new dwellings among them that are to be completed.

We must see to it that the proportion of dwellings to be built by workers' cooperative house-building societies comes to between 42 and 45 percent of industrial new housing construction, and that of private homes and rural homes to circa 10 percent of it each.

For housing structure and dwelling unit maintenance, we have to provide, between 1981 and 1985, for a circa 125-percent increase in building repair services over the 1976-1980 period.

3. The net monetary incomes of the population are to be raised by 120 percent in 1985 over 1980, as our production and efficiency goals are being met. The increased monetary income of the working people must mainly be ensured through their work income on the basis of our proficiency-oriented wage policy.

4. To improve public consumer goods supplies, retail turnover is to be increased by 120 percent in 1985 over 1980.

The production and supplies of high-grade consumer goods are to be raised significantly on the basis of the latest data of scientific-technical progress.

Supplies to consumers of commodities of daily use, mainly of basic foodstuffs varieties and baby-food products, must be ensured on a steady basis and proper as to demands. Supplies to consumers, proper as to demands, in the assortments of the "thousand small items" must likewise be ensured. Spare part supplies must be noticeably improved at a broad range.

Consumer durables have to be offered at stable consumer prices. In view of the development of more differentiated needs, goods are to be made available in all price categories, with goods in the medium price range, solid in quality, making up the main portion of our commodity supplies.

To take care of the population and the social institutions, services have to be systematically expanded through raising the efficiency of state-owned service enterprises and the promotion and better utilization of the capacities of the craft producers cooperatives and the individual crafts. Public repairs and services are to be increased to 120 percent in 1985 over 1980.

Maintenance and repair of technical consumer goods have to be increased by 123 percent in the current five-year plan period.

5. In the field of public education, the development of the 10-grade general-education polytechnical secondary school is to be carried on systematically. This further shapes the polytechnical character of the secondary school. All children get a high-level secondary school education, and their communist education is being further improved.

Building kindergarten facilities makes sure that in all territories children are taken care of in kindergartens, if their parents want them to, and are being prepared for school.

In vocational training, we must ensure high-grade training for circa a million of young specialists. We must see to it that this new generation of specialists is trained for all areas and occupations and assigned appropriately, in particular the new industrial workers.

The combines and enterprises must gear the working people's advanced training to high performance improvements. The proportion of certified working people, especially among the women, has to be raised further.

At universities, colleges and technical schools the basic task is the training and communist education of the students and of the new generation of scientists at a high technical level and in the spirit of the scientific world-outlook of the workers class. Research at universities and colleges must still more effectively be focused at science development and economic efficiency improvement. The application and use of research data must be ensured through keeping in close touch with practical life.

6. Through public health and social services we must further improve public health protection, make the achievements of modern medicine serviceable to the citizens and further improve the quality and effectiveness of medical and social care.

Mainly such measures have to be carried out that are of importance to the majority of our citizens and have a beneficial effect on our population's state of health. That concerns in particular improvements in basic medical care in large cities and conurbations and in out-patient care in general medicine, dentistry and neurology/psychiatry.

A total of 2,100 medical and dental positions have to be created, mainly in out-patient and polyclinics. Through reconstruction, modernization and new construction, 8,500 new beds are to be made available for hospital patients. We also have to create 55,000 new places in day-nurseries and 18,500 in old-age and nursing homes.

Recreational opportunities for the working people are to be further improved up to 1985 through more package holidays sponsored by the trade unions and individual firms, to 4,7 million trips.

The FDJ initiatives for the maintenance, reconstruction and modernization of leisure-time and youth recreation facilities are to be encouraged and supported by the state organs.

In the central pioneer camps, the FDJ and the Ernst Thaelmann pioneer organization must by 1985 enjoy the use of 39,000 places per event. A comprehensive reconstruction of camps must be continued. The proportion of capacities that can be used all year long is to be raised to 13,000 places per event by 1985.

Physical culture and sports must be promoted all the way. The citizens' desire for health, joy in life, recreation, efficiency and well-being up to old age has to be fostered.

7. The artists have the task to contribute through new works of literature and art to the shaping of socialist personalities and the socialist way of life. Through unfolding the various talents and skills of the population, especially of youth, and the close contact of the working people with art, we have to mold further the mass character of socialist culture and art and their socialist content of ideas.

We must further expand the opportunities for high-level youth leisure-time activities, especially for the work of the FDJ youth clubs and for dances for the young.

By opening the concert hall on the Platz der Akademie and the reconstruction of the Friedrich City Palace in Berlin, capital of the GDR, the new Gewandhaus in Leipzig and the Dresden Semper Opera House, a significant contribution is to be made to the enrichment of cultural life in the GDR.

## V

A crucial prerequisite for continuing stable economic and social development in the GDR is the purposeful deepening of our socialist economic integration with the USSR and the other CEMA countries. This ties the GDR ever more firmly to the community of socialist states and its main force, the USSR.

Through resolutely implementing the GDR-USSR production specialization and cooperation program up to 1990, the agreements with the other CEMA countries and the long-term target programs of CEMA, which also render the comprehensive program of CEMA more specific and develop it further, the GDR economy must become increasingly more entwined with the economies of the USSR and of the other socialist countries.

The tasks of export to the USSR and the other socialist countries have to be made, and be fulfilled as, standard components of the plans and accounts on all economic levels, as a precondition for implementing the accords made on the import of raw materials, fuels, machines, installations and consumer goods.



Economic and scientific-technical relations with the developing countries, mainly those that have taken the socialist course, have to be further extended and to be developed on a long-term basis.

Relying on the firm foundation of our economic relations with the socialist countries, we have to develop and expand our foreign trade with the capitalist industrial countries. That serves the policy of peaceful coexistence and promotes economic growth in our republic.

★

The GDR Council of Ministers, in conformity with the law on the Council of Ministers, is charged with the implementation of the 1981-1985 Five-Year Plan, based on the 10th SED Congress directive, and with supervising its fulfillment. It must prepare the annual economic plans on the basis of that law and thus ensure the fulfillment of the goals and tasks of the 1981-1985 Five-Year Plan.

The People's Chamber of the GDR calls on the workers, the cooperative farmers, the members of the intelligentsia and all other working people to devote all their strength to the fulfillment of the tasks of the 1981-1985 Five-Year Plan, strengthen the GDR in every way as an inseparable part of the socialist community of states that is rallied around the Soviet Union, and contribute to the further consolidation of the positions of socialism, peace and international security.

#### 1982 Economic Plan

East Berlin NEUES DEUTSCHLAND in German 5-6 Dec 81 p 4

[Official text of the "Law of 3 December 1981 on the 1982 Economic Plan"]

[Text] The 1982 National Economic Plan, in implementation of the 10th SED Congress decisions and of the Law on the Five-Year Plan for the Development of the Economy of the GDR During 1981-1985, is aimed at continuing the all-round strengthening of the GDR. Its goals conform with a consistent continuation of the main task with its economic and social welfare tasks as a unity. That continues our successful course of performance improvements for the good of the people, for further advances in the shaping of developed socialism and for the strengthening of peace. The main content of the 1982 National Economic Plan and of its implementation are the 10 key points of economic strategy adopted by the 10th SED Congress.

#### I

The following growth rates have to be implemented for the development of the national economy in 1982:

	<u>1982</u> 1981
Produced national income	104.8
Manufacturing output, industrial industries	105.1
Manufacturing output, national economy	104.6
Labor productivity, industrial ministries	104.5



Capital investment per M 100 in commodity production, industrial ministries	96.9
Output of construction industries	102.5
Housing construction, new buildings plus modernization	102.9
Production and services in agriculture, forestry and agricultural processing	100.2
Transport and telecommunications	104.8
Retail trade turnover	104.9
Net monetary income of the population	104.9
Foreign trade turnover	115.0

The capital of the GDR, Berlin, is to be further developed systematically as the political, economic, intellectual and cultural center of the GDR. All-out support is to be given to the FDJ Berlin Initiative, the central youth project, for which a high contribution must be ensured from all bezirks.

The tasks accruing from the safeguarding of national defense and internal order and security are to be ensured comprehensively and as priorities. The obligations resulting therefrom are to be met conscientiously by government and central economic departments, combines, enterprises, institutions and cooperatives.

## II

It is a fundamental task of the 1982 National Economic Plan significantly to speed up scientific-technical progress as a crucial condition for performance growth and increased efficiency. On this basis, the effectiveness of the qualitative factors of economic growth has to be raised and, through further reducing the social expenditures in implementing the reproduction process, the cost/benefit ratio has to be significantly improved in all areas of the economy.

Scientific-technical solutions have to be worked out and applied in production which, on the basis of optimum refinement of available raw materials and working materials, ensure the manufacture of products that help determine advanced international standards in terms of their intrinsic value parameters, costs, durability, reliability and design features.

--Through measures of scientific-technical progress, 479 million working hours are to be saved in industry and the building trade.

--The manufacture of "Q" quality seal products is to be raised to 119 percent.

--The specific consumption of vital energy sources, raw materials and working materials is to be reduced, in comparison with 1981, as follows:

Energy intensity at least by	4.0 percent
Rolled steel in metalworking industry by	6.5 percent
Rolled steel in the building industry by	3.9 percent
Cement in the building industry by	5.5 percent

--The utilization of secondary raw materials, especially the metallic ones, old oil, lumber residues, returned glass containers and waste paper, and industrial waste products, is to be raised to 104.0 percent.

--The manufacture of branch-specific means of rationalization in the economic branches must be raised to 113 percent.

--Prime costs in industry must be reduced by 2.7 percent and in construction, by 1.4 percent.

On the basis of the further deepening of socialist economic integration, foreign trade must be purposefully developed with the USSR and the other countries in the community of socialist states. Economic and scientific-technical relations with the developing countries are to be stably and consistently developed further. Foreign trade with the capitalist industrial countries will continue to be based on equality and mutual advantage.

### III

The 1982 National Economic Plan establishes the following targets for continuing production increases:

Industrial production  $\frac{1982}{1981}$  %

#### Ministry

Coal and Energy	103.7
Ore Mining, Metallurgy and Potash	103.7
Chemical Industry	106.0
Electrical Engineering and Electronics	107.7
Heavy Engineering and Industrial Plant	105.7
Machine Tools and Processing Machinery Manufacture	108.7
General Mechanical, Farm and Automotive Engineering	106.7
Light Industry	103.7
Glass and Ceramics Industry	104.2
Bezirk-managed Industry and Food Industry	104.6

The production of economically important products is to be as follows:

	Unit	1982
Electricity	GWh	103,400
Raw lignite	1,000 metric tons	271,900
Lignite briquettes	1,000 metric tons	50,020
Products further processed by the metalworking industry	1,000 metric tons	3,114
Steel pipes	1,000 metric tons	585
Potassic fertilizer	1,000 metric tons of K <sub>2</sub> O	3,450
Man-made filament	tons	66,892
Man-made fibres	tons	81,907
Cutting-type machine tools	millions of marks	2,593
Cold-forming machine tools	millions of marks	788
Plastics and elastomere processing machinery	millions of marks	497
Machinery and equipment for the textile, clothing and leather industries	millions of marks	792
Valves, fittings and accessories	millions of marks	1,522
Anti-friction bearings	millions of marks	647

Low-voltage switchgear	millions of marks	1,012
Process instrumentation and control engineering equipment	millions of marks	1,633
Textile floor covering	1,000 square meters	34,294
Knitted outerwear	thousand	48,994
Hosiery	millions of pairs	358
Furniture and upholstered commodities	millions of marks	5,955
Household washing machines	thousand	493
Household refrigerators	thousand	690
of which deep-freezers	thousand	234
Gas ranges	thousand	207

Geological prospecting in 1982 must ensure the requisite supply base for a greater use of indigenous raw materials.

In the construction industry the following increase in output is to be achieved:

	$\frac{1982}{1981} \%$
Output of the Ministry for the Construction Industry	102.2
Manufacturing output of the ministry	100.2

The following state quotas are stipulated for the more important products of agriculture, forestry and food production:

	Unit	1982
Fat stock	1,000 metric tons	2,430
Milk (4% fat)	1,000 metric tons	6,850
Chicken eggs	millions	4,700
Vegetables, total	1,000 metric tons	1,350
Fruit	1,000 metric tons	535

Forestry is to make available in 1982 9.6 million cubic meters of trunk timber.

In the transport sector the volume of goods transported (in tons) is to be increased to 103.5 percent for the railroad and to 102.4 percent for domestic waterways. The transshipment capacity of the ports is to be raised to 106.2 percent.

In the postal and telecommunications sector services are to be raised to 102.9 percent.

Through water management the requisite measures for ensuring the housing construction program have to be taken. The stabilization of drinking and service water supplies to households, industry and agriculture has to be improved, and the schemes for improved supplies and sewage treatment are to be continued systematically in Berlin, capital of the GDR, Leipzig and other cities.

To enhance the landscape and the protection of the environment, measures are to be taken to keep the water and the air clean, for the utilization of waste products or their harmless disposal and for reducing noise levels, primarily in industrial conurbations and cities.

#### IV

To ensure a gradual rise in the material and cultural standards of the people the following tasks are to be fulfilled in 1982:

--in housing construction:

Dwellings to be provided	179,600
of which:	
newly built	117,540
modernized	62,060
of which:	
individual housing construction	13,300
newly built and modernized dwellings for Berlin, capital of the GDR	19,750

The output of the construction industry which is earmarked for the maintenance and modernization of housing is to be increased to 105.1 percent in 1982.

Provisions of consumer goods and services:	<u>1982</u> 1981
Retail trade turnover	104.0
Net monetary income of the population	104.0

Commensurate with the crucial contribution the workers class is making to creating our national income, the proportion of working income for the workers and employees to the monetary income of the population is to be raised systematically. The proven way for implementing the socialist performance principle is to be continued through the introduction of incentive wages. In 1982 there are to be introduced for another 473,000 workers, foremen, and university and technical school graduates proficiency-guided basic wages and salaries in combination with scientific labor organization and the application of efficiency indicators.

For further improving the output of services, the following targets are laid down:

	<u>1982</u> 1981
Services and repairs for the population	105.0
Motor vehicle repair and maintenance services for the population	104.9

In the education system the following capacities are to be newly created in 1982:

In public education:	
Classrooms	2,530
Places in kindergartens	25,740
Places in boarding schools and homes	670
School gymnasiums	150

**In vocational training:**

Classrooms	140
Places in apprentice hostels	4,200
School gymnasiums	10

At universities, colleges and technical schools some 80,200 students are to be enrolled in 1982, including 60,700 full-time students. The following facilities are to be newly provided:

Places in halls of residence	2,270
Places in lecture halls and seminar rooms and jobs	3,740

Medical and social services for the population are to newly provide the following capacities in 1982:

Posts for doctors in outpatient units	250
Posts for dentists	230
Places in day nurseries	12,100
Places in establishments for the treatment and training of physically and mentally handicapped children and adolescents	1,000
Places in homes for senior citizens and nursing homes	3,900

In the recreation sector, the following tasks are to be performed in 1982:

Package holidays sponsored by the FDGB and individual firms	4,600,000
Provision of new places in FDGB holiday homes	300

For leisure pursuits and the recreation of young people, youth tourism establishments are to be further reconstructed and modernized in 1982. Through comprehensive housing construction, 2,510 places in youth club facilities are to be newly created.

In the central pioneer camps for the FDJ and the Ernst Thaelmann pioneer organization capacities are to be raised to 34,400 places per booking in 1982. The number of places useable throughout the year is to be raised to 4,566.

The People's Chamber of the GDR by this law calls on all citizens of the country to implement, and exceed in a targeted fashion, with all their knowledge and skill and creative energy, the targets of the 1982 National Economic Plan for the all-round strengthening of the GDR, the socialist workers and farmers state on German soil.

**Budget for 1982**

East Berlin NEUES DEUTSCHLAND in German 5-6 Dec 81 p 5

[Official text of the "Law of 3 December 1981 on the 1982 State Budget"]

[Text] In agreement with the 1982 National Economic Plan, the People's Chamber of the GDR adopts the following Law on the 1982 National Budget Plan:



# Article 1

The following state revenue and expenditure, the National Budget Plan of the GDR and the funds of state-owned combines and enterprises from profits are confirmed:

State revenue and expenditures		National Budget Plan	Funds of state-owned combines and enterprises from profits
- in million Marks -			
Revenue	194,512,4	177,912,7	16,599,7
Expenditure	194,437,4	177,837,7	16,599,7
Difference between revenue and expenditure in 1982	75,0	75,0	-

# Article 2

The following main items of revenue and expenditure under the 1982 National Budget Plan are confirmed:

	- in million Marks -	
	Revenue	Expenditure
State-owned economy (without agriculture, forestry and the food industry)	130,287,6	39,296,0
State-owned and cooperative agriculture, forestry and the food industry	6,088,8	12,138,8
Including:		
--Price subsidies for means of production for agricultural enterprises as a result of changes in industrial prices	-	(7,688,3)
--Expenditure on amelioration, supplements for certain regions and other production-enhancing measures in agriculture	-	(2,795,7)
Academy of Sciences	234,7	812,2
Maintenance of the communications network	-	3,238,0
Taxes and levies	15,219,0	-
Housing construction and housing management	-	8,543,4
Of which:		
--Large-scale housing construction		(2,200,5)
--Modernization of apartments		(336,4)
--Building repairs		(1,397,0)
--Housing management		(2,252,1)
--Interest and repayment of investment loans for housing construction		(2,357,4)

Replacement and expansion of fixed assets in cultural, social and educational facilities not connected with large-housing construction	-	1,503,2
Budget funds for investments and science and technology for university and technical school affairs, public health and other state organs and institutions	-	1,079,1
Subsidies for ensuring stable prices for staple goods and tariffs for the population	-	21,181,5
Public education	368,2	7,696,2
Universities, colleges and technical schools	269,4	2,395,2
Vocational training	7,4	862,0
Adult education	37,6	107,3
Health and social services	6,898,7	11,111,9
Including:		
National insurance payments on health care	(5,495,0)	-
Remittance of credits granted to young married couples and remittance of interests for credits	-	230,0
National insurance and other benefits granted by the state	15,646,3	30,213,8
Facilities for youth	153,3	321,9
Culture	467,2	1,753,8
Sports	106,0	394,9
Recreation and holiday services	87,1	449,8
Foreign tourism (subsidy)	-	258,1
Radio and television	519,7	727,9
Local government measures and services	133,8	829,3
State administration and economic bodies	280,5	3,760,9
Foreign policy tasks	-	201,7
National defense	-	10,776,4
Public security, administration of justice and securing the state frontier	-	4,178,0

### Article 3

In accordance with Article 2, social funds amounting to M 61,686,8 million shall be made available from the National Budget, taking into consideration the main items of revenue and expenditure, to ensure and gradually further improve the material standards and cultural level of the people.

### Article 4

(1) The Central Budget Plan is confirmed as follows:

Revenue	141,585,6 million Marks
Expenditure	141,510,6 million Marks

(2) The budget plans of the national insurance scheme, as an independent part of the National Budget, are confirmed as follows:

Production and office workers      Members of socialist cooperatives and other working strata  
- in million Marks -

Revenue	13,705,0	1,643,1
Expenditure	25,719,9	3,433,0
Subsidies from the National Budget	12,014,9	1,789,9

#### Article 5

(1) The budget plans for Berlin, capital of the GDR, and the bezirks are confirmed in the following form:

Including: Proportion of overall National Budget revenue

	Revenue and expenditure	Total	Including specified investments	Cash balance on 1 January 1982 and 31 December 1982
				- in million Marks -
Berlin	3,913,8	2,298,5	664,8	39,0
Cottbus	1,912,6	1,033,5	187,1	16,0
Dresden	3,532,7	1,823,6	336,7	36,0
Erfurt	2,490,1	1,305,2	261,7	24,0
Frankfurt/Oder	1,706,5	1,023,6	172,9	13,0
Gera	1,608,3	866,1	167,9	16,0
Halle	3,497,6	1,897,1	355,8	33,0
Karl-Marx-Stadt	3,555,9	1,735,4	365,7	33,0
Leipzig	2,726,4	1,360,8	248,9	27,0
Magdeburg	2,700,5	1,400,6	249,7	27,0
Neubrandenburg	1,565,3	985,8	119,7	19,0
Potsdam	2,394,8	1,295,7	232,6	24,0
Rostock	2,145,4	1,287,0	171,1	22,0
Schwerin	1,446,5	792,4	148,6	16,0
Suhl	1,130,7	625,2	100,1	11,0
Total:	36,327,1	19,730,5	3,783,3	356,0

(2) Local assemblies shall finance their planned projects from  
 --levies paid by enterprises under their control, revenues of their departments and institutions subordinated to them;  
 --taxes (excluding wage taxes) and levies from communities;  
 --their share in the overall National Budget revenues.

(3) In keeping with legal provisions, villages and towns under kreis jurisdiction shall have available means and funds of the local assemblies and other sources for the effective encouragement of socially useful citizen initiatives aimed at the all-round fulfillment of the plan and its overfulfillment in certain sections in the interest of social life and the improvement of working and living conditions.

#### Article 6

In accordance with Article 4 of the National Budget Act of the GDR of 13 December 1968 (GBL, Part I No 23, p 383), the Council of Ministers approves of the alterations to the 1982 National Budget Plan necessary in implementation of the plans. The surplus of revenue over expenditure laid down in Article 1 must not be changed.

#### Article 7

The regulations to implement the budget shall be issued by the Minister of Finance.

#### Article 8

(1) This law shall enter into force on 1 January 1982.

(2) On the same date there shall be repealed:

(a) the law on the 1981 National Budget Plan of 17 December 1980 (GBL, Part I No 35, p 359);

(b) the law of 9 February 1950 on the dues of the republic and the other territorial bodies and on establishing a tax administration in the republic (tax law) (GBL, No 17 p 130); and

(c) the law of 7 February 1952 on the redemption and interest payments for the amounts of the construction lottery for the National Construction Program Berlin 1952 (GBL, No 19, p 109).

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GERMAN DEMOCRATIC REPUBLIC

DEFICIENCIES IN COMBINE MANAGEMENT, ORGANIZATION DISCUSSED

West German Commentary

Bonn IWE-TAGESDIENST in German No 171, 23 Nov 81 pp 2-3

[Report from Berlin: "Serious Organizational Deficiencies in GDR Industrial Combines." A translation of the East Berlin WIRTSCHAFT article cited below follows this commentary]

[Text] Rigid and unintelligible organizational structures, obscured competencies and excessive administrative efforts are cutting into the efficiency of the GDR's industrial combines formed in recent years, as the most recent edition of the East Berlin WIRTSCHAFT (No 11, 1981) has criticized. Often combine management authority with respect to subordinated yet legally independent combine enterprises had not been clearly defined, and there was a big difference in the organizational levels of the various enterprises. In the years ahead, so says the East Berlin paper, rational solutions should have to be achieved in the organizational form of combine management and suitable overall combine structure, with tasks clearly separated between combine management and the managements of the enterprises. Altogether, the number of management levels should be reduced, management and administrative efforts be diminished, and the management system be improved in its effectiveness.

Focus on Structure, Responsibilities

East Berlin DIE WIRTSCHAFT in German Vol 36 No 11, 12 Nov 81 p 12

[Article by Dr Horst Koehler, Friedrich Schiller University, Jena: "The Way to a Uniform Combine Organization"]

[Text] A basic demand of the economic strategy for the 1980's is to develop further the combines under central and bezirk management in industry, construction, transport and telecommunications as a whole. That implies exhausting all possibilities of organization as a productive force. Thus it is inherent in long-term combine development to orient organizational work more at shaping and enforcing streamlined organizational forms and processes making comprehensive use of ADP. In short, it is a matter of creating a streamlined combine organization which is thoroughly uniform in its basic structure. The goal and the solution are particularly derived in this from our extending our concentration, specialization and cooperation.

Altered development conditions and new economic policy goals call for a change in the handling of tasks in economic organization. Which also means that "combine organization" must not be understood as more or less identical with the previous "enterprise organization" or merely as a change in terms. Certainly, our combine organization must get the benefit from the rich store of experiences of our work in enterprise organization during the years when our state enterprises were under development. But we must also look at the totally different basic structure of economic organization that conforms to the changed reproduction profile and the new organizational forms of management.

#### Dividing Processes into Intelligible Elements

A special problem lies in sorting out the requirements of "uniform combine organization" into tenable and feasible elements or building blocks. That would result in concrete handles and a uniform basis for the working methods for the procedures along the lines of a division of labor used by the various operational and application work collectives. The approach to it must be seen to be directly project- or-process-related.

As a model for such sorting out in the reproduction and management process in terms of partial sectors that are to be worked on substantively and administered organizationally we may take the "instruction systems" (combine and enterprise regulations) that exist in all combines with their project and requirement specifications with their nomenclature. Such codifications contain circa 30 to 50 tasking areas that have been given up to 300 regulations as instructions. Sure enough, the matters and partial processes dealt with in them are usually too narrowly defined if one considers the process building blocks of uniform combine organization that are to be created. Exceptions are such regulations that deal with larger cross sections of the process, as for instance a combine's planning system. This explains that the process building blocks to be created must be complex in nature and normally entail a total run through several management areas and subject fields. Contact and juncture points have to be taken into account, the cooperation of all involved must be ensured, and the existing organizational rules must be respected. At the same time it is a matter of finding a rational process alternative and using computers for routine processes.

As an example for such a process building block we may take the uniform combine development of the "development and application processes for novel products." That process runs through various areas of responsibility, at least through the central technical field or the R&D enterprise, the centralized fields for techniques and technology and production and production preparation, the end producer (the combine enterprise) and finally the cooperation partner. To render uniform or take account of here are:

- the various activities in the different areas of responsibility and the cooperation among the participating areas and specialized fields;
- the detailed structuring of rational computer-aided processes relying on a uniform basis for organizational processes in the form of streamlined key systems and primary data, primary ADP documentation and preprinted forms;
- a greater use of streamlined ADP projects;
- the conformity with other organizational projects;
- attention to the organizational rules for the process under consideration; and
- enforcing the rationalization of management and administration.

Another central question pertains to the accountabilities for uniform combine organization. Experiences tell us that one needs an overall conception with long-term ideas as well as clear decisions on preparatory and operational steps to be taken.

#### Precise Determination of Accountability

This requires of the general director to instruct the combine about the organizational work. It has also been found useful for combine organization to set up central working teams made up of experienced technical and operational directors, executive associates and specialists. The combine's technical director for data processing should coordinate the preparation of documents for decision-making and their activities in their implementation in that field. It is of special interest to draw up "organizational authorizations" and set down the responsibilities the technical directors in combine management have. Their responsibility for the organizational matters within the scope of their "process responsibility" always relates to a clearly delineated partial process on the scale of the combine. That responsibility thus enters deeply into the spheres of responsibility of the directors of the combine enterprises and their authorizations in enterprise organization. Within the obligation the technical directors in the combine have to instruct analogous technical areas in the enterprises, the general director may, as one knows, assign the right to give instructions for specific tasks as well. Practically, there still is some lack of clarity in this field. What should have to be above all unequivocal is the relationship between the responsibility of the various technical directors for their process field and the functional responsibility of the technical directors for organization and data processing. The latter should then have to ensure that the organizational measures taken in any individual technical area suit the overall uniform organization while help reduce managerial and administrative expenditures.

#### The Relation between Combine and Enterprise Organization

The question about the limits of overall uniform combine organization must be answered in view of the position of the combine enterprises as economically and legally independent economic units. Within the scope of their responsibility the enterprise directors must bring their influence to bear on the structuring of the enterprise organization. On the other hand, concrete enterprise organization must rationally undergird and complete the basic uniform combine organization with its own ways and means and possibilities, tap reserves and awaken initiatives. No solutions must be allowed that would infringe either the effectiveness of the overall process or the interests of the enterprise collectives. Within the basic uniform combine organization serious particulars in enterprises must be taken into account. It must also be ensured centrally that the organizational levels of all combine enterprises are approximately even. From the function of the combine organization we also derive the duty to analyze and supervise the development of the organization of the enterprises.

However, this basic uniform combine organization is not a matter of formally demanding and setting down rigid organizational forms and processes, but it is always a matter of finding the most efficient solutions for the whole.

## Topical Basic Issues in Organizational Work

Though organizational levels differ in the combines, one may summarize by referring to those focal points in our work on which organizational efforts will have to concentrate in the years ahead:

--Clarification of development matters in the streamlining of combines, prerequisite to further perfecting uniform combine organization. As a rule such streamlining leads to changes of economic organization in the structure of the enterprises, enterprise departments, production shops and centralized management areas in the technical fields (-directorates).

--In accordance with the principle: "Combine formation is mainly the formation of efficient combine enterprises" we must accomplish a manageable number, a rational solution in the organizational form of combine management and a suitable overall structure of the combine, with requirements clearly divided between combine management and the enterprise managements. On the whole, we must minimize the number of management levels and reduce the managerial and administrative efforts on the various management levels and develop to that end a normative base for management organization. The system of instruction also must be perfected, kept up-to-date and be improved in its effectiveness.

--In the field of computer-aided organization, the various solutions in enterprise organization that stem from differences in historic development must be gradually reduced, especially also in their primary organization, keys, documentations and preprinted forms. Of special importance to making combine organization more uniform is a direct processing organization by means of standardized technological primary documents.

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CSO: 2300/73



## CHANGES IN ALLOCATION OF FOREIGN EXCHANGE FOR 1981

Belgrade SLUZHBI LIST SFRJ in Serbo-Croatian No 62, 20 Nov 81 pp 1583-1589

[Order of the Federal Executive Council issued in Belgrade 22 October 1981, signed by chairman Veselin Djuranovic: "Order Amending the Order on Allocation of Foreign Exchange To Meet the Needs of Federal Bodies and Agencies and To Discharge the Rights and Perform the Duties of the Federation in 1981"]

[Text] 1. In the Order on Allocation of Foreign Exchange To Meet the Needs of Federal Bodies and Agencies and To Discharge the Rights and Perform the Duties of the Federation in 1981 (SLUZHBI LIST SFRJ, No 2, 1981), in Paragraph 1, Subparagraph 1, the number "24,993,925,300" shall be replaced by the number "22,652,456,900," the number "3,234,077,000" by the number "2,991,077,645" and the number "21,127,053,000" by the number "19,184,986,000."

In Paragraph 2 the number "632,795,300" shall be replaced by the number "476,393,255."

2. The allocation of foreign exchange for 1981 is hereby amended as follows:

<u>"No</u>	<u>Recipient</u>	<u>Expressed in Dinars</u>	
<u>1</u>	<u>2</u>	<u>3</u>	
1	State Presidency of the Socialist Federal Republic of Yugoslavia		
	Invisibles:		
	Official travel	4,000,000	
	Other payments	<u>288,000</u>	4,288,000
	Visibles		<u>1,092,000</u>
	Total		<u>5,380,000</u>

<u>1</u>	<u>2</u>	<u>3</u>	
2	Department for Management of Entertainment Facilities of the State Presidency of the Socialist Federal Republic of Yugoslavia		
	Invisibles:		
	Official travel	43,200	
	Other payment	<u>545,600</u>	588,800
	Visibles		<u>1,334,400</u>
	Total		<u>1,923,200</u>
3	SFRY Assembly		
	Invisibles:		
	Official travel	3,324,750	
	Membership dues and assessments	615,406	
	Other payments	<u>11,250</u>	3,951,406
	Visibles		<u>9,201,100</u>
	Total		<u>13,152,506</u>
4	Council of the Federation		
	Invisibles:		
	Official travel		<u>62,400</u>
	Total		<u>62,400</u>
5	Administration of Brioni Islands		
	Invisibles:		
	Official travel	43,200	
	Other payments	<u>1,744,000</u>	1,787,200
	Visibles		<u>1,511,200</u>
	Total		<u>3,298,400</u>
6	Federal Executive Council		
	Invisibles:		
	Official travel	14,748,800	
	Membership dues and assessments	24,300,000	
	Other payments	<u>209,600</u>	39,258,400
	Visibles		<u>83,713,600</u>
	Total		<u>122,972,000</u>

<u>1</u>	<u>2</u>	<u>3</u>
7	Department for Defense Preparations of the Federal Executive Council	
	Visibles	<u>4,000,000</u>
	Total	<u>4,000,000</u>
8	Translation Department of the Federal Executive Council	
	Invisibles:	
	Official travel	308,000
	Visibles	<u>930,000</u>
	Total	<u>1,238,000</u>
9	Constitutional Court of Yugoslavia	
	Invisibles:	
	Official travel	<u>33,600</u>
	Total	<u>33,600</u>
10	Federal Court	
	Invisibles:	
	Official travel	<u>60,000</u>
	Total	<u>60,000</u>
11	Federal Public Prosecutor's Office	
	Invisibles:	
	Official travel	<u>80,000</u>
	Total	<u>80,000</u>
12	Federal Solicitor General	
	Invisibles:	
	Official travel	<u>100,800</u>
	Total	<u>100,800</u>

<u>1</u>	<u>2</u>	<u>3</u>
13	Federal Public Defender of Self-Management Law	
	Invisibles:	
	Official travel	<u>35,200</u>
	Total	<u>35,200</u>
14	Federal Secretariat for Foreign Affairs	
	Invisibles:	
	Official travel	37,795,000
	Diplomatic and consular missions	1,687,511,000
	Membership dues and assessments	70,646,000
	Other payments	<u>13,511,000</u>
	Visibles	<u>1,809,463,000</u>
	Total	<u>40,874,000</u>
		<u>1,850,337,000</u>
15	Federal Secretariat for National Defense	
	Invisibles:	
	Official travel	6,351,480
	Foreign missions	84,051,070
	Membership dues and assessments	407,840
	Medical treatment abroad	6,801,920
	Advanced training	53,443,790
	Other payments	<u>5,954,500</u>
	Visibles	<u>157,010,600</u>
	Total	<u>17,942,609,400</u>
		<u>18,099,620,000</u>
16	Federal Secretariat for Internal Affairs	
	Invisibles:	
	Official travel	5,000,000
	Membership dues and assessments	3,000,000
	Advanced training	1,383,000
	Other payments	<u>102,500,000</u>
	Visibles	<u>111,883,000</u>
	Total	<u>123,014,000</u>
		<u>234,897,000</u>



<u>1</u>	<u>2</u>	<u>3</u>	
17	Federal Secretariat for Finance		
	Invisibles:		
	Official travel	2,440,000	
	Membership dues and assessments	32,760,000	
	Transfer of legacies	12,000,000	
	Other payments	<u>48,073,600</u>	<u>94,273,600</u>
	Total		<u>94,273,600</u>
18	Federal Secretariat for Foreign Trade		
	Invisibles:		
	Official travel	1,050,000	
	Membership dues and assessments	<u>12,274,000</u>	<u>13,324,000</u>
	Total		<u>13,324,000</u>
19	Federal Secretariat for the Market and General Economic Affairs		
	Invisibles:		
	Official travel	244,500	
	Membership dues and assessments	<u>2,593,580</u>	<u>2,838,080</u>
	Total		<u>2,838,080</u>
20	Federal Secretariat for Jurisprudence and Organization of the Federal Admin- istration		
	Invisibles:		
	Official travel	480,400	
	Membership dues and assessments	<u>229,000</u>	<u>709,400</u>
	Total		<u>709,400</u>
21	Data Processing Center of Federal Bodies and Agencies		
	Invisibles:		
	Official travel	26,400	
	Other payments	<u>160,000</u>	<u>186,400</u>
	Visibles		<u>5,300,800</u>
	Total		<u>5,487,200</u>

<u>1</u>	<u>2</u>	<u>3</u>	
22	Federal Secretariat for Information		
	Invisibles:		
	Official travel	1,896,000	
	Other payments	<u>1,876,800</u>	3,772,800
	Visibles		<u>5,600,000</u>
	Total		<u>9,372,800</u>
23	Federal Committee for Energy and Industry		
	Invisibles:		
	Official travel	1,047,514	
	Membership dues and assessments	<u>7,974,000</u>	<u>9,021,514</u>
	Total		<u>9,021,514</u>
24	Federal Committee for Agriculture		
	Invisibles:		
	Official travel	1,495,900	
	Membership dues and assessments	28,383,000	
	Other payments	<u>1,640,000</u>	<u>31,518,900</u>
	Total		<u>31,518,900</u>
25	Federal Committee for Transportation and Communications		
	Invisibles:		
	Official travel	1,337,700	
	Membership dues and assessments	<u>8,886,000</u>	<u>10,223,700</u>
	Total		<u>10,223,700</u>
26	Federal Committee for Labor, Health and Social Welfare		
	Invisibles:		
	Official travel	1,287,000	
	Membership dues and assessments	<u>37,013,000</u>	<u>38,300,000</u>
	Total		<u>38,300,000</u>

<u>1</u>	<u>2</u>	<u>3</u>
27	Federal Bureau for Employment Security	
	Invisibles:	
	Official travel	580,800
	Branch offices abroad	190,400
		<u>771,200</u>
	Total	<u>771,200</u>
28	Federal Committee for Affairs of Veterans and Military Disableds	
	Invisibles:	
	Official travel	65,830
	Medical treatment abroad	2,000,000
	Other payments	1,740,000
		<u>3,805,830</u>
	Total	<u>3,805,830</u>
29	Federal Customs Administration	
	Invisibles:	
	Official travel	619,000
	Membership dues and assessments	1,340,000
	Visibles	47,870,000
		<u>49,829,000</u>
	Total	<u>49,829,000</u>
30	Federal Administration for Flight Control	
	Invisibles:	
	Official travel	336,800
	Membership dues and assessments	140,000
	Advanced training	1,185,000
	Other payments	2,640,000
	Visibles	300,000,000
		<u>304,301,800</u>
	Total	<u>304,301,800</u>
31	Federal Administration for Radio Communi- cations	
	Invisibles:	
	Official travel	246,000
	Advanced training	36,750
	Other payments	123,750
	Visibles	4,636,500
		<u>5,043,000</u>
	Total	<u>5,043,000</u>

<u>1</u>	<u>2</u>		<u>3</u>
32	Federal Market Inspectorate		
	Invisibles:		
	Official travel		<u>79,200</u>
	Total		<u>79,200</u>
33	Federal Foreign Exchange Inspectorate		
	Invisibles:		
	Official travel		<u>372,800</u>
	Total		<u>372,800</u>
34	Federal Aeronautics Inspectorate		
	Invisibles:		
	Official travel	397,600	
	Membership dues and assessments	96,000	
	Other payments	<u>21,600</u>	515,200
	Visibles		<u>350,400</u>
	Total		<u>865,600</u>
35	Federal Bureau for Social Planning		
	Invisibles:		
	Official travel		173,600
	Visibles		<u>600,000</u>
	Total		<u>773,600</u>
36	Federal Community for Price Affairs		
	Invisibles:		
	Official travel		<u>58,400</u>
	Total		<u>58,400</u>
37	Federal Bureau for International Scientific, Educational and Cultural, and Technical Cooperation		
	Invisibles:		
	Official travel	2,970,552	
	Membership dues and assessments	20,801,761	
	Other payments	<u>34,000,000</u>	57,772,313
	Total		<u>57,772,313</u>



<u>1</u>	<u>2</u>		<u>3</u>
38	Federal Bureau of Statistics		
	Invisibles:		
	Official travel	355,950	
	Membership dues and assessments	<u>16,500</u>	372,450
	Visibles		<u>6,000,000</u>
	Total		<u>6,372,450</u>
39	Federal Bureau of Hydrometeorology		
	Invisibles:		
	Official travel	209,000	
	Membership dues and assessments	14,277,000	
	Other payments	<u>205,000</u>	14,691,000
	Visibles		<u>4,299,000</u>
	Total		<u>18,990,000</u>
40	Federal Bureau of Standards		
	Invisibles:		
	Official travel	535,000	
	Membership dues and assessments	<u>2,486,000</u>	3,021,000
	Total		<u>3,021,000</u>
41	Federal Patent Office		
	Invisibles:		
	Official travel		178,000
	Visibles		<u>764,400</u>
	Total		<u>942,400</u>
42	Federal Bureau for Weights and Measures and Precious Metals		
	Invisibles:		
	Official travel	94,520	
	Membership dues and assessments	789,592	
	Other payments	<u>2,100</u>	886,202
	Visibles		<u>588,998</u>
	Total		<u>1,475,200</u>

<u>1</u>	<u>2</u>	<u>3</u>	
43	Federal Bureau of Geology		
	Invisibles:		
	Official travel		<u>136,000</u>
	Total		<u>136,000</u>
44	Federal Directorate for Reserves of Foodstuffs		
	Invisibles:		
	Official travel		<u>160,000</u>
	Total		<u>160,000</u>
45	Federal Directorate for Reserves of Industrial Products		
	Invisibles:		
	Official travel		<u>408,000</u>
	Total		<u>408,000</u>
46	Department for Rendering Entertainment Services of Federal Bodies and Agencies		
	Invisibles:		
	Official travel	1,105,000	
	Other payments	<u>20,500,000</u>	21,605,000
	Visibles		<u>21,660,000</u>
	Total		<u>43,265,000</u>
47	Department for Administrative and Accounting Affairs of Federal Administrative Agencies and Federal Organizations		
	Visibles		<u>3,872,132</u>
	Total		<u>3,872,132</u>
48	Garage of Federal Bodies and Agencies		
	Visibles		<u>1,889,100</u>
	Total		<u>1,889,100</u>

<u>1</u>	<u>2</u>	<u>3</u>	
49	Administration for Management of Office Buildings of Federal Bodies and Agencies		
	Invisibles:		
	Official travel		100,000
	Visibles		<u>3,285,600</u>
	Total		<u>3,385,600</u>
50	Federal Fund for Credit Financing the Faster Development of the Economically Underdeveloped Republics and Autonomous Provinces		
	Invisibles:		
	Official travel		<u>114,400</u>
	Total		<u>114,400</u>
51	Presidium of the Central Committee of the League of Communists of Yugoslavia		
	Invisibles:		
	Official travel	560,000	
	Other payments	<u>800,000</u>	1,360,000
	Visibles		<u>4,000,000</u>
	Total		<u>5,360,000</u>
52	Work Organizations for Rendering Services and Maintaining the Building of the LCY Central Committee and the LC Serbia Central Committee Known as Central Com- mittee Headquarters		
	Invisibles:		
	Official travel	21,600	
	Other payments	<u>901,600</u>	923,200
	Visibles		<u>6,276,800</u>
	Total		<u>7,200,000</u>

<u>1</u>	<u>2</u>	<u>3</u>	
53	Federal Conference of the Socialist Alliance of Working People of Yugoslavia		
	Invisibles:		
	Official travel	2,314,000	
	Other payments	<u>5,490,000</u>	<u>7,804,000</u>
	Total		<u>7,804,000</u>
54	Presidium of the Conference of the Socialist Youth League of Yugoslavia		
	Invisibles:		
	Official travel	1,218,600	
	Other payments	<u>103,800</u>	<u>1,322,400</u>
	Total		<u>1,322,400</u>
55	Federation of Associations of Veterans of the National Liberation War of Yugoslavia		
	Invisibles:		
	Official travel	601,000	
	Membership dues and assessments	<u>35,000</u>	<u>636,000</u>
	Total		<u>636,000</u>
56	Council of the Federation of Yugoslav Trade Unions		
	Invisibles:		
	Official travel	3,070,000	
	Membership dues and assessments	450,000	
	Other payments	<u>1,632,800</u>	<u>5,152,800</u>
	Visibles		<u>1,100,000</u>
	Total		<u>6,252,800</u>
57	Presidency of the Yugoslav Red Cross		
	Invisibles:		
	Official travel	791,000	
	Membership dues and assessments	1,339,000	
	Other payments	<u>1,609,000</u>	<u>3,739,000</u>
	Total		<u>3,739,000</u>

<u>1</u>	<u>2</u>		<u>3</u>
58	Yugoslav League for Peace, Independence and Equality of Peoples		
	Invisibles:		
	Official travel	285,600	
	Membership dues and assessments	<u>10,000</u>	<u>295,600</u>
	Total		<u>295,600</u>
59	Federation of United Nations Associa- tions of Yugoslavia		
	Invisibles:		
	Official travel	73,600	
	Membership dues and assessments	<u>36,000</u>	<u>109,600</u>
	Total		<u>109,600</u>
60	Physical Fitness Federation of Yugoslavia		
	Invisibles:		
	Official travel	6,512,000	
	Membership dues and assessments	1,756,000	
	Other payments	<u>100,000</u>	<u>8,368,000</u>
	Visibles		<u>2,086,400</u>
	Total		<u>10,454,400</u>
61	Popular Technology--Federation of Organi- zations for Popular Technical Knowledge of Yugoslavia		
	Invisibles:		
	Official travel	192,000	
	Membership dues and assessments	<u>200,000</u>	<u>392,000</u>
	Visibles		<u>130,000</u>
	Total		<u>522,000</u>
62	Firefighters' Alliance of Yugoslavia		
	Invisibles:		
	Official travel	192,800	
	Membership dues and assessments	<u>31,000</u>	<u>223,800</u>
	Total		<u>223,800</u>



<u>1</u>	<u>2</u>	<u>3</u>
63	Tourist Alliance of Yugoslavia	
	Invisibles:	
	Official travel	72,900
	Foreign branch offices	65,322,900
	Other payments	<u>30,867,300</u>
		<u>96,263,100</u>
	Total	<u>96,263,100</u>
64	Yugoslav Council for Traffic Safety	
	Invisibles:	
	Official travel	88,000
	Membership dues and assessments	<u>50,000</u>
		<u>138,000</u>
	Total	<u>138,000</u>
65	Public Organizations	
	Invisibles:	
	Official travel	2,400,000
	Membership dues and assessments	2,400,000
	Other payments	<u>690,000</u>
	Visibles	<u>5,490,000</u>
		<u>120,000</u>
	Total	<u>5,610,000</u>
66	Social Accounting Service of Yugoslavia	
	Invisibles:	
	Official travel	300,000
	Membership dues and assessments	140,000
	Other payments	<u>3,000,000</u>
	Visibles	<u>3,440,000</u>
		<u>365,425,000</u>
	Total	<u>368,865,000</u>
67	National Bank of Yugoslavia	
	Invisibles:	
	Official travel	1,686,100
	Membership dues and assessments	60,000
	Other payments	<u>172,000</u>
	Visibles	<u>1,918,100</u>
		<u>83,000,000</u>
	Total	<u>84,918,100</u>

<u>1</u>	<u>2</u>	<u>3</u>
68	Economic Chamber of Yugoslavia	
	Invisibles:	
	Official travel	3,000,000
	Foreign representative offices	116,832,000
	Fairs and exhibitions	76,000,000
	Membership dues and assessments	1,600,000
	Other payments	<u>1,500,000</u>
	Visibles	<u>198,932,000</u>
		<u>1,800,000</u>
	Total	<u>200,732,000</u>
69	Cooperative Alliance of Yugoslavia	
	Invisibles:	
	Official travel	292,800
	Membership dues and assessments	<u>196,800</u>
		<u>489,600</u>
	Total	<u>489,600</u>
70	TANJUG News Agency	
	Invisibles:	
	Official travel	2,387,650
	Foreign bureaus	61,438,300
	Membership dues and assessments	543,000
	Other payments	<u>23,603,200</u>
	Visibles	<u>87,972,150</u>
		<u>9,402,300</u>
	Total	<u>97,374,450</u>
71	SFRY National Committee of the International Chamber of Commerce	
	Invisibles:	
	Official travel	72,000
	Membership dues and assessments	<u>213,000</u>
		<u>285,000</u>
	Total	<u>285,000</u>
72	Federation of Health Insurance and Health Care Communities of Yugoslavia	
	Invisibles:	
	Official travel	72,000
	Health care	<u>58,275,000</u>
		<u>58,347,000</u>
	Total	<u>58,347,000</u>

<u>1</u>	<u>2</u>	<u>3</u>	
73	Federation of Old Age and Disability Insurance Communities of Yugoslavia		
	Invisibles:		
	Official travel	72,000	
	Membership dues and assessments	<u>630,000</u>	<u>702,000</u>
	Total		<u>702,000</u>
74	Yugoslav Archives		
	Invisibles:		
	Official travel	62,000	
	Membership dues and assessments	<u>184,000</u>	<u>246,000</u>
	Total		<u>246,000</u>
75	"Film News" [Newsreel]		
	Invisibles:		
	Official travel	161,000	
	Membership dues and assessments	<u>30,000</u>	<u>191,600</u>
	Visibles		<u>2,864,000</u>
	Total		<u>3,055,600</u>
76	Institution for Maintaining Maritime Waterways		
	Visibles		<u>12,410,000</u>
	Total		<u>12,410,000</u>
77	Institution for Maintaining Inland Water- ways		
	Invisibles:		
	Official travel	97,600	
	Membership dues and assessments	<u>50,000</u>	<u>147,600</u>
	Visibles		<u>2,573,000</u>
	Total		<u>2,720,600</u>
78	Yugoslav Register of Ships		
	Visibles		<u>2,730,000</u>
	Total		<u>2,730,000</u>

<u>1</u>	<u>2</u>	<u>3</u>
79	Sluzbeni List SFRJ Publishing Institution	
	Invisibles:	
	Official travel	231,200
	Visibles	<u>35,013,240</u>
	Total	<u>35,244,440</u>
80	Yugoslav Center for Technical and Scientific and Technical Documentation	
	Invisibles:	
	Official travel	82,400
	Membership dues and assessments	43,200
	Other payments	<u>64,000</u>
	Visibles	<u>189,600</u>
		<u>2,252,800</u>
	Total	<u>2,442,400</u>
81	Yugoslav Radio and Television	
	Invisibles:	
	Official travel	1,933,920
	Membership dues and assessments	26,125,000
	Other payments	<u>16,785,280</u>
	Visibles	<u>44,844,200</u>
		<u>588,600</u>
	Total	<u>45,432,800</u>
82	Komunist Newspaper Publishing Enterprise	
	Invisibles:	
	Official travel	595,000
	Other payments	<u>1,921,000</u>
	Visibles	<u>2,516,000</u>
		<u>25,500</u>
	Total	<u>2,541,500</u>
83	Borba Newspaper Publishing and Printing Enterprise	
	Invisibles:	
	Official travel	2,759,200
	Foreign bureaus	7,241,600
	Other payments	<u>3,381,400</u>
	Visibles	<u>13,382,200</u>
		<u>37,924,730</u>
	Total	<u>51,306,930</u>

<u>1</u>	<u>2</u>	<u>3</u>
84	Geomagnetic Institute	
	Invisibles:	
	Official travel	59,200
	Visibles	<u>267,000</u>
	Total	<u>326,200</u>
	Grand Total	22,175,536,845"

3. This order shall take effect on the day after publication in SLUZBENI LIST SFRJ.

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## INVESTMENTS IN FIXED ASSETS

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 4 Dec 81 p 5

[Text] The tendency toward a slower growth of payments on investment projects which in the first 9 months of the year was reflected in the decline of the real volume of investment in fixed capital continued in the fourth quarter as well. Payments for work on investment projects in October were up 13 percent in nominal terms over the same month of 1980, but when this rate is adjusted for the rise of prices in the construction industry and on the market for equipment, the real volume of investments was down more than 25 percent. This means that investment spending in October had been brought into line with the aims of economic policy, since the Resolution on Policy for Implementing in 1981 the Social Plan of Yugoslavia envisaged that the real level of investment in fixed capital would be lower than the level in 1980, calling moreover for a reduction of about 30 percent in the value of nonproductive and noneconomic investments, except for investments in housing construction.

Investments in Fixed Capital, in millions of dinars

<u>Investments</u>	<u>Oct 81</u>	<u>Jan-Oct 81</u>	<u>Oct 81</u> <u>Oct 80</u>	<u>Jan-Oct 81</u> <u>Jan-Oct 80</u>
Total	50,670	415,812	113	120
OUR's [organization of associated labor] in the economy	19,271	144,318	123	127
OUR's outside the economy	5,692	41,747	134	125
Self-managing communities of interest	2,319	17,884	125	114
Banks	17,814	179,091	87	109
Lendings through banks	4,987	27,648	122	183
Sociopolitical communities	587	5,124	106	100
Opstinas	354	2,966	118	117
Republics and provinces	99	1,462	59	84
Federation	134	696	221	83

## Reduced Use of Bank Resources

The greatest impact on the slowing down of investments in October was exerted by payments from bank resources, which were down 13 percent in nominal terms from

the same month of the previous year, while in real terms the reduction was more than 45 percent. This very rapid drop in the use of bank resources for investment projects is the result of reduced liquidity of the banks and the decline of their credit potential. This was favored by the measures of the National Bank in restricting the growth of credit. In addition, regulations reducing the possibility for use of short-term funds for investment projects also tended to reduce the credit potential of the banks.

In the January-October period investments grew 20 percent in nominal terms over the same period of last year, while the real volume of investment was down about 20 percent. With respect to source, payments on investment projects from the resources of organizations of associated labor in the economy were up 27 percent, those of organizations of associated labor outside the economy were up 25 percent, those of self-managing communities of interest were up 13 percent, and those of banks were up 9 percent, while investments from the funds of sociopolitical communities remained at last year's level in nominal terms. In the distribution of payments by sociopolitical communities, payments from the resources of opstinas were up 17 percent, while payments from the resources of republics and provinces were down 16 percent and those from federal funds were down 17 percent.

Within the payments from bank resources, which, as is evident from the table, amounted to 17.9 billion dinars and represented over 40 percent of total investments, the financing of housing construction had a share of 5.5 billion, or one-third. This intensive credit financing of housing construction helped to raise the share of this form of investment project from 13 percent in 1980 to 14 percent this year, which is in line with the policy established in this sector of the standard of living.

The distribution among basic purposes shows that the share of economic investments in total investments in fixed capital increased from 64 percent in the first 9 months of 1980 to 64.1 percent in the same period of this year, while investments in housing, utilities and municipal services increased from 25.3 percent to 26.8 percent, and the share of noneconomic investments dropped from 12.7 to 9.1 percent.

#### Largest Increase in Montenegro

In the breakdown by republics and provinces, payments on investment projects in the first 9 months rose 22 percent in Bosnia-Herzegovina, 84 percent in Montenegro, 16 percent in Croatia, 17 percent in Macedonia, 14 percent in Slovenia and 18 percent in Serbia. Within Serbia, the growth in Serbia proper was 22 percent, in Vojvodina 23 percent, and investments in Kosovo were up 12 percent over the same period of last year.

The high growth in Montenegro was the result of augmented investments in order to repair earthquake damage, while the growth rates in other regions were mainly dependent on the phase of construction of projects already under way and on the intensity of progress in completing them.

Viewed as a whole, we can say that in 1980 there was a favorable change of direction in the trend of investments, since the real volume was considerably reduced, but it still has not been brought altogether into conformity with the available resources and the aims of stabilization.

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CROATIA, BOSNIA-HERCEGOVINA COOPERATE ON LAND RECLAMATION

Belgrade BORBA in Serbo-Croatian 22 Nov 81 p 4

[Article by B. Santic]

[Text] By interrepublic cooperation in seven communes of Bosnia-Herzegovina and Croatia following land reclamation projects, income will be increased several times over and poverty will be transformed into abundance.

Mostar. One more attractive example of interrepublic cooperation and mutual enterprise presages a great new labor success. Bosnia-Herzegovina and Croatia have been engaged in a joint land reclamation project at Imotsko-Bekijsko Polje that should make this border region between the two republics a "food factory." For decades now, since the time of Austrian and Turkish occupation, this idea has been in the air, but it remained nothing but an empty dream. And now all at once, that which emperors and kings could not achieve has been done by a few Yugoslav collectives. This great interrepublic undertaking was recently given strong support at a meeting in Grude that was attended by the presidents of the Croatia and Bosnia-Herzegovinian presidiums, Jakov Blazevic and Raif Dizdarevic.

Representatives of the investors, project organizations and builders told presidents Blazevic and Dizdarevic about the most important aspects of this land reclamation and hydroelectrical energy project. The project involved the regulation of unfavorable water level phenomena, because of which 10,000 hectares of tillable land, which makes up Imotsko-Bekijsko Polje, previously produced essentially nothing. Specifically, spring rains bringing major floods made timely planting impossible, and summer brought drought, followed in fall by renewed flooding. Thus there was water when it was not needed, but none when it was most necessary.

The implementation of the project involved the residents of Imotsko, Grude, Vrgorac, Posusje, Caplina, Ljubusko and Citluk, along with the water management and agricultural organizations of both republics, and electrical power collectives that were involved because the plan included construction of two hydroelectric power plants. Total investments in the project amounted to 3 billion dinars, but the impoverished region that encompasses all seven of the communes named above, with a total land surface of 28,000 hectares, will gain unheard of possibilities for abundance.

The first two phases of implementation of the project will cost 910 million dinars, and by its completion in the coming 2-3 years, it will eliminate the dangers of flooding and direct the water into reservoirs that will subsequently irrigate the land during dry periods. The reservoir is also required for the development of hydroelectric power.

There is no doubt that this multipurpose installation, and the investments of 250,000 dinars per hectare, will pay off very quickly, but as Jakov Blazevic noted, it is particularly significant that this sort of project shows the strength of socialist self-management, as confirmed by the mutuality, brotherhood and unity on the project. Thus this undertaking is of significance for all of Yugoslavia.

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CSO: 2800/108



SARAJEVO PRIVATE ARTISANS ACCUSED OF ABUSES

Belgrade BORBA in Serbo-Croatian 24 Nov 81 p 2

[Article by Enver Demirovic]

[Text] As intermediaries, the craft cooperatives in Sarajevo have made agreements with private craftsmen that are worth fully 4 billion dinars.

At a recent session of the sociopolitical council of the Sarajevo city assembly, a delegate posed approximately the following question in the name of his constituency: "Is it true that independent craftsmen, private merchants in Sarajevo, are taking in millions through the craft cooperatives that are officially handling transactions for them, and that their activities are taking place outside of any sort of social control or responsibility?"

It Is Important To Be a Member

It is not correct that they are bringing in millions by performing transactions as proteges under the patronage of their cooperatives; rather, they are taking in billions! According to official information that the inspectors of the Sarajevo city secretariat for inspection have already made public, it is estimated that "by means of craft cooperatives and other organizations of associated labor, which are involved as intermediaries, independent craftsmen in Sarajevo are receiving about 4 billion new dinars for various services being performed in structures that are being constructed within the city and elsewhere."

That this is a matter of mutually beneficial and "enriching" transactions is confirmed by the list of craft cooperatives, which besides the cooperatives "Sloga," "Jedinstvo," and "Mala Industrija" of Sarajevo, and "Tehnograda" from nearby Pala and their affiliates, includes trade cooperatives from all the socialist republics that have opened their business offices in Sarajevo for the purpose of being the intermediaries for these transactions. Along with them there are various so-called "engineering" basic organizations of associated labor, contracting organizations of associated labor, and special youth employers and other services that serve as middlemen in arranging for and carrying out capital construction projects and other projects actually done by independent craftsmen. Yet there is no doubt that the craft cooperatives are the leaders. How else could it be, when it is sufficient merely to appear before the investors and take on the jobs, and then turn them over to the private craftsmen for the actual performance of the work. For this simple act of "sealing the deal," they receive the intermediaries' cut of 5 to 15 percent of the total value of the project. There are no records about the pay of those employed by the craft

or "GG" [expansion unknown] cooperatives, but judging from the fact that each of them has a permanent work force of generally two, and never more than four persons, their earnings are certainly not small.

#### The Law Behind the Chimney

The Law on Craft Cooperatives specifies that independent craftsmen can employ no more than five workers to do their work and that the annual value of work performed cannot exceed 500,000 dinars. In practice, however, the situation is totally different. It could truly be said that the word of the law has been disposed of "behind the chimney." For example, Josip Završnik, a mason from the town of Hadzici, has performed various contract capital construction projects for "Sipad Jahorina," a basic organization of associated labor for lumber operations, for the basic organization of associated labor at the Hadzici cabinet factory, for the Tarcin local community and other organizations, with a total value surpassing 4.5 million dinars.

Jovan Tintor, a painter from Bogosca, has contracted through the craft cooperative "mala industrija" to complete projects worth about 2.9 million dinars for the Pale housing interest community. Nedo Perkovic, a mason from Ilidza, has accepted building contracts for an express restaurant in Sarajevo worth more than 2 million dinars. An entire list of "cooperative members" could be presented for whom the limit of 500,000 dinars is obviously a completely unknown category. Among them would be Osman Kamarasevic of Vinkovci with about 3.3 million dinars in jobs, and Hajdar Jazic from Hadzici with 1.8 million.

That, however, is not the end of the illegal activities of cooperative members. They perform jobs for which they are not qualified, using tens of workers, they do not pay the obligatory contributions for employees, they conceal income that is subject to taxes, and they find their own social "channels" for acquiring materials. All of this, naturally, is done with the protection of the cooperatives and other official entrepreneurs who, in the interest of their own benefit, do not begrudge either time or their official seals to write out and confirm everything for their members so that they can carry out this dirty business without disturbance.

The delegate's question reached its target, and the first civil and criminal actions have been initiated, along with requests for the return of illegally earned income.

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